



**Council  
Communication**  
Office of the City Manager

**Date**

April 10, 2006

**Agenda Item No.** 45

**Roll Call No.** ~~06-~~

**Communication No.** ~~06-~~195

**Submitted by:** Larry D. Hulse, Community  
Development Director

**AGENDA HEADING:**

Approving Agreement with Virginia Regan to Preserve the City's Right to Take a Tax Deed to the Vacant Lot at 1315 Harrison Avenue Intended for Redevelopment for Housing.

**SYNOPSIS:**

Recommend approval of an agreement with Virginia Regan to preserve the City's right to take tax deed to the vacant lot located at 1315 Harrison Avenue. Council previously authorized assignment of the 2005 tax certificate to Community Housing Development Corporation (CHDC), (Carol Bower, Executive Director, 601 Forest Avenue, Des Moines, IA 50312) for the development of affordable housing. If the agreement with Ms. Regan is not approved, she has indicated her intent to redeem the property, whereby the City of Des Moines would lose its ability to assign the tax certificate to CHDC.

**FISCAL IMPACT:**

Amount: \$3,323.75

Funding Source: 2005-2006 Operating Budget, Page 354, NDD – King Irving Housing Consortium, SP020, CDD049900, CDBG20050018.

**ADDITIONAL INFORMATION:**

The City Council has previously approved assignment of the 2005 tax sale certificate for 1315 Harrison Avenue to CHDC for the development of affordable housing. The City Council has also received and filed a proposal from CHDC for the 2006 New Construction Program to assist in the development of an affordable single family home at 1315 Harrison.

In order to preserve the City's ability to assign the tax sale certificate to CHDC for the development of affordable housing, the City has negotiated an agreement with Virginia Regan, the 2004 tax sale certificate holder, to ensure that Ms. Regan does not exercise her right to redeem the City's 2005 tax sale certificate. In exchange for \$3,323.75, which represents the amount paid for the 2004 tax certificate plus one half of the accrued interest, Ms. Regan has indicated that she will not redeem the City's 2005 tax sale

certificate, which will enable the City to assign it to CHDC, which in turn will be able to take tax deed to the property and develop it as affordable housing. Ms. Regan has indicated to the City that she has no interest in obtaining tax deed to the property, but her sole interest is in protecting her investment in the 2004 tax certificate.

**PREVIOUS COUNCIL ACTION(S):**

Date: March 6, 2006

Roll Call Number: 06-463

Action: Receive and file proposals for 23 single-family houses as part of the 2006 New Construction Program. ([Council Communication No. 06-112](#)) Moved by Vlassis to adopt. Motion Carried 6-1.

Date: February 20, 2006

Roll Call Number: 06-359

Action: Assignment of Tax Sale Certificates for six properties -- three to Greater Des Moines Habitat for Humanity and three to Community Housing Development Corporation. ([Council Communication No. 06-089](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: June 6, 2005

Roll Call Number: 05-1339

Action: 2005 Certificates on certain vacant lots, and authorizing City Manager to solicit proposals for purchase of such lots for development of housing. ([Council Communication No. 05-314](#)) Moved by Hensley to adopt. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S): NONE**

Date:

Roll Call Number:

Action:

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**